CELL SAILORS - An educational program aimed at mature customers on how to use mobile services

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Abstract

This paper focuses on describing a mature consumer education program as a marketing tool. Also mature customers� mobile service usage is discussed. Although mature market is very heterogeneous, the desire for information and education is a common characteristic for it. By targeting consumer education programs to mature consumers, marketers can help in satisfying this desire. The data of this paper was gathered in Finland during spring 2003 by using non-participatory observation as a research method.
Keywords: mature customers, mobile phones, observation, consumer behavior

Introduction

Global aging is a phenomenon, which is bound to have social, political and economical consequences; it is expected to lead increased cost for societies, but it will offer also new possibilities for marketers. Mature customers are usually considered as the most heterogeneous segment, with high purchasing power. In the minds of mature customers the consumption is not a sin but a privilege. It is time to stop ignoring the needs of this special customer segment. The significance of Information and Communications Technology (ICT) is expected to grow even more in the future as the wireless technology is coming more and more powerful actor on the markets. By year 2010 in most developed countries 80-90 percent of consumers are expected to have at least one wireless device (Blazevic et al. 2003, 122).

Theoretical background

Consumer education is a marketing function that can be used in aiding the entry to the new markets, when launching new products and services, and in gaining new customers (Johnson 1996, 32). Consumer education programs can be carried out in several ways and they can be classified by using different criterions. For example, Fast et al. (1989) have identified six types of consumer education programs by using content as criteria for classification whereas Burton (2002) has identified three. There are at least three known advantages of using a consumer education as a marketing strategy: it helps to obtain and retain satisfied customers, it contributes to a favorable attitude among consumers towards a product or a company, and it helps to reduce confrontations with consumer advocates (Burton 2002, 125).

There is a census among marketing scholars that consumer education plays role in consumers´ decision making. First, consumer education may create awareness of and preference for information which is expected to increase the amount of time consumers spend seeking information. By providing a useful, easy-to-understand resource on the benefits of products or services, a company can create a strategic and competitive advantage for its business. Good information also empowers consumers to make their own decisions about what to buy and from whom. Educating customers is the best way to obtain an informed response. Secondly, consumer education has been found to improve the efficiency, with which consumers handle information. This leads to a reduced amount of time, which consumer would have had to otherwise devote to gathering the same information. (Fast et al. 1989, 83; Johnson 1996, 32)

The mature market is very heterogeneous and can be segmented in various ways (Bone 1991, Oates et al. 1996, Moschis et al. 1997). Despite this diversity, there are few common characteristics such as mature customers desire for information and education (Dytchwald 1997, 275). Mature customers are highly experienced consumers who have been reading magazines, watching television advertising and getting direct mail for decades. On that basis it is not surprising that mature customers have become skeptical towards different modes of marketing (Leventhal 1997). Mature customers tend to value personal and informal informants over the traditional marketing communication (Kennett et.al 1995).

Figure 1: Consumer education model for mature customers (Oumlil and Williams 2000).

Consumer education programs combine word-of-mouth communication with informality. That is why this marketing tool is profitable especially among the mature customer segment. Through counseling and education, mature customers are provided an opportunity to learn about services which would otherwise easily remain unknown to them (Oumlil et al. 2000, 234). Mature customers often find themselves unsure and helpless as consumers, especially in the case of reclamations (La Forge 1989, 361). With the help of consumer education, mature customers are offered a chance to develop self-confidence by providing know-how on products and services.

Cell Sailor consumer education program

�Cell Sailors� is a consumer education program, which is targeted at elderly mobile phone users. TeliaSonera Finland (formerly Sonera) started the program in March 2000. Until now, over 300 elderly people have completed the program. The program is not meant only for TeliaSonera´s customers but all elderly mobile phone users regardless of the service provider they use are welcome. TeliaSonera is executing �Cell Sailors� program in co-operation with church, different senior citizen organizations and with the Martha Organization .

The �Cell Sailors� consumer education program consists of 20 hours of lessons, which have been divided for four days. During these lessons elderly people are taught how to use the most common mobile phone models and most common mobile services. Cell-Sailor �program is based on worth-of-mouth �communication the core idea being that after completed the 20-hour-lessons, these elderly �Cell Sailors� are able to guide their peers in usage of mobile phones and mobile services.

Methodology and data collection

In this study the data was gathered using non-participatory observation as a research method. The special characteristics of observation as a research method include its applicability as both quantitative and qualitative research method (Boote&Matthews 1999, Slack&Rowley 2001). Observation is extensively used as a method of data collection in cultural anthropology and other social sciences (Douglas&Graig 1983, 157). It is also quite a useful method in marketing research and it has been previously applied in studies related to consumer behavior such as buying decision making (Hollis 2000) and finding out the emotions role in consumer behavior (Groeppel-Klein&Baun 2001). Observation is not meant to replace other forms of research but with the help of it, marketers can �dive deep into consumer´s psyche� (Wellner 2002, 4).

Data was collected in Spring 2003. We took part in a significant number of �Cell Sailors� educational events, which took place in different locations distributed equally around Finland. In each event, there was a varying number of informants from 13 to 16 present. The researchers were placed so that they were able to fully observe all the participants and their actions. Elderly people under observation were by no means interrupted and as they reported themselves afterwards, they hadn�t even noticed that they were being observed.

Cell Sailors

Usually the majority of participants in this educational program were females. As mentioned above, the Martha Organization is an important partner in this program and the absolute majority of Martha Organization�s members are women. The majority of participants had used mobile phone for several years and they had also owned several mobile phones. Mature customers appeared to be willing to invest on their mobile phone in use: the mobile phones of the participants were typically new with several features. Although a typical participant has owned a mobile phone for several years, it was common that she had been unable to actually use the basic functions of any mobile phone. For example, it was common that the participants were not aware of how to turn the ringing tone on �silent� in their mobile phone.

Participants were very keen on learning how to use mobile services as a part of their everyday lives. It goes without saying that they were also exited about mobile phones in general. They compared each others mobile phones and shared individual experiences related to the usage of mobile phones and mobile services. They posed lots of questions at the instructor because they wanted to know for sure, what will happen when they push a certain button. Elderly participants formed groups of three. This group division was kept untouched throughout the whole educational program. The groups were formed in the very beginning of the program and every group had one leader, who was supposed to help the other group members. It was obvious that these �group leaders� were experienced with mobile phones and they were also some kind of opinion leaders among their group.

According to our observations, the participants can be divided into three segments: experts, active learners and quiets. The Experts had used mobile phone for a long period of time and they also knew how to use it. Their role in the educational program was to help the others. The Experts seemed to be also sort of opinion leaders among the whole group. The Experts weren�t afraid to ask the instructor if there was something unclear to them. The Experts´ appearance (psychological age) was often younger than others. It became also evident that besides having experience in mobile service usage, they were

experienced in using computer and Internet. They often talked about their experiences and went on comparing the mobile phone to a computer. Of all the observed elderly people, 23.8 percent belonged to this segment.

The group of Active learners was absolutely the biggest segment as 71.4 percent of all observed elderly people in this educational program can be seen as representing this segment. The Active learners were keen on learning, trying out new things and they also seemed to be interested in mobile phone usage in general. They did not give up easily and they did not get anxious if they pushed a wrong button. This segment was partially divided into the ones who had previous usage experience with mobile services and the ones without previous usage experience.

The mature customers belonging in the Quiets were very shy to try any mobile phone functions, which were unknown to them. In this group, the fear of making mistakes was very apparent. This implies that at least some portion of the mature customers has kind of fear towards technology and that they further lack courage to try out new things. Contrary to the Active learners, the Quiets never asked if they did not understand something. The clear minority of all observed elderly people, only 4.7 percent was found to belong in this segment.

Figure 2 : Participants Segments

According to our observations, the size of mobile phone and reduced dexterity cause difficulties for mature customers in using mobile phone. Several participants made comments such as �These buttons are way too small.� or �This screen is too small. I cannot see the text on it without my glasses.� Vice versa, diverse comments were made: �I don�t want my cell phone to be big in size because it must fit in my little purse together with my wallet and glasses.� or �I want my mobile to be little, pretty and red!�   The other source of difficulties in the usage seemed to be the logic of navigation. For example, it was common that the mature customers did not understand that the menu on the screen always appeared in the same logical order or that the SMS menu always pops in after the phonebook menu. When the mature customers were choosing function in use from the menu, they weren�t sure which button to press to confirm their choice.

When the usage of mobile services was taught, the laughter filled the air. Participants were given the opportunity to subscribe new logos or new ringing tones to their mobile phones, which made even the shy ones to smile. When the instructor talked about other and more sophisticated mobile services available today, the participants listened very carefully. Clearly, these opportunities interested them and several commented: �It is interested what you can make with your phone!� or �Maybe I try the mobile banking next�.

Figure 3: Factors helping (+) and hindering (-) mobile phone usage among mature customers

Discussion

Mature market is a highly potential market also for mobile services. The market consists of several sub-segments, which are ensuring the profitability and offer vast opportunities to firms. Marketers who want to get their proportion of this �grey gold�, have to reject any stereotypes they may have about the old, fragile people, who have no interest on technology but instead start considering them as individuals, who too are keen on on-going development and interested in taking part in it as well. Naturally, there are individuals among mature customers as in any consumer segment, who will never try out new technological devices or services. Still, it is worth remembering that a marketer cannot afford to use the age alone in determining who our most valued customers are.

In order to gain the best from this opportunity, the marketers should reconsider their marketing strategies. One possibility to succeed in the future mature markets is to use the consumer education programs as a marketing tool. Consumer education programs provide mature customer with the right kind of information about products and services and help in creating long-lasting relationship with these important and interesting customers.

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